



ISSN 1835-2340

## A comparison of the Euro-Mediterranean and the Australian press models

José M<sup>a</sup> Sanmartí

Raúl Magallón

Guadalupe Aguado

– Universidad Carlos III de Madrid

### Abstract

The aim of this article is to analyze the evolution, development and consolidation of the Australian press model from its beginning to the present day and compare it to the Euro-Mediterranean model (Spain, France, Italy and Portugal). To do so, the consequences of these countries' participation in World Wars I and II, the legislative, cultural and business changes produced and the internal events that meant consolidation of a specific press system within the Anglo-Saxon model, are studied.

Whereas in the Euro-Mediterranean countries between 1926 and 1976 the different dictatorships modified the role of the press and also what the state's relationship with it should be, Australia's perfectly consolidated and stable democracy led to concerns with and the development of other forms of evolution between the press and the State as well as between the press and the other economic and social actors.

### Introduction

Accepting that there are two press models, the Anglo-Saxon and the Euro-Mediterranean (Aguado, Sanmartí & Magallón, 2009), determined respectively by the First Amendment of the United States Constitution (1791) and the Declaration of the Rights of Man and Citizen in France (1789), the greatest differences between the four countries studied in this article (France, Italy, Spain and Portugal) and Australia are their different conceptions of the media's role and its evolution over two centuries.

### European change due to totalitarianism and the Australian model's continuity

The liberal press model constructed during the 19th century in the four European countries analyzed was dealt a mortal blow between 1925 and 1940 with the successive implementation of totalitarian regimes. Italy's 1925 Fascist laws, Portugal's 1926 coup d'état, Spain's 1936 civil war, and France's 1940 Nazi occupation caused a radical break with the existing information system, and giving way first to a new one of a totalitarian stamp for a number of years and subsequently to a democratic one. This double change in the four countries entailed not only the end of a secular tradition in the business and the regulatory order, but also gave rise to operation plans that were different from earlier ones.

The measures (variable in each country) taken by the states in accordance with each one's political regime, determined the press's evolution to the present day. This allows the causes which brought about diverse business strategies and which led to a specific business conglomerate in each country, to be understood. All of this took place within the framework of a stage of economic expansion between 1945 and 1970 which affected the development of the news sector. Therefore, for France and Italy, the end of World War II and the re-establishment of their constitutional systems, was a turning point for their business structure and also in determining the State's role in press system regulation. In turn, the changes in the Portuguese and Spanish press are explained on the basis of a historic context marked by their transitions to Democracy (1974-76 in Portugal and 1976-78 in Spain), which demanded different ways to establish plurality of information. The four States defended freedom of expression, but at the same time established different media control regulations.

Following the tradition instated by the French Revolution, after World War II the states saw the need to intervene in the news sector. The victors learned from the totalitarian experiences and those of the war that the media should fulfill a function of public service and so the theory of *media social responsibility* was developed, a theory which had been formulated a few years earlier in the US and Great Britain. The Australian system on the other hand has maintained the Anglo-Saxon model's continuity, both in its business and democratic aspects. There has been no political or commercial interruption beyond that of certain ups and downs, especially those caused by the two World Wars. This model has had a sustained and regular evolution such that many of its constituting elements can be perceived even in today's media.

Until the end of the 19th century, the Australian press had, in reality, little weight due to the country's sparse population, immense area, colonial characteristics as a penal colony of Great Britain, and its great distance from the more advanced centers of Europe, America and even Asia. Despite these difficulties, a generation of businessmen, such as John Fairfax or Charles Kemp was being formed. In the second half of the 19th century the rapid demographic and economic development of the states of Victoria and New South Wales due to "gold fever" brought about notable expansion of the newspapers. They were united in defense of zone and sector-related interests against the British administration and the pre-eminence of the big cities and the landowning oligarchy, but the effect of the miner's revolt of 1854, known as Eureka Stockade, was that some of them became the voice of emerging nationalist groups. At times this was in very radical terms, such as the defense of Republicanism, universal suffrage for miners, mandatory, secular and free education, respect for Aboriginal rights, commercial protectionism, etc. This role as a pressure group led many newspapers to unite with political parties and participate in political life as agents.

The appearance of the telegraph in 1861, the extension of the railroad starting in 1875 and the appearance of news agencies, promoted greater competition among newspapers. Some newspapers made an agreement to divide areas of influence while others joined together to share expenses. Improvements in education and the descent of illiteracy did not hinder the continued functioning of a group of large newspapers in the principal cities, and a large number of small and medium-sized newspapers spread all around the territory. This property basically corresponded to individual businessmen frequently working in other professions. Bankers, insurance agents, builders, businessmen and ship owners were among those on the administrative boards of journalism companies and families of owners began to appear (Fairfax, Wilson-McKinnon, Bonython, Hackett, etc.), as did different specific businesses. In 1902 one of these businessmen, Keith A. Murdoch, founded the Herald and Weekly Times Limited (HWT), which opened an era of expansion and concentration of titles. Although the market was centralized in Sydney and Melbourne, there was an abundance of newspapers. For example, in 1909 there were three times as many newspapers in New South Wales as there were in all of Great Britain. They followed the British model; therefore Australia was in the Reuters Agency's area of influence.

After the First World War, the concentration of titles and competition intensified so that the number of newspapers gradually decreased and confrontations increased. In general, they were very vulnerable to commercial manipulation. This led to the creation of the figure of Managing Publisher, a role in charge of giving commercial interests priority over professional ones in accordance with the booming North American experience. This created a press system where publishers paid more attention to their interests and self-censorship than to the construction of the democracy in Australia, resulting in a press that dealt more with entertainment than with information.

Between 1900 and 1920 communication policy focused on "communication transportation" to such an extent that technologies were more and more decisive in a country characterized by its enormous geographical distances and spread-out population. It was the greatest symbol of national progress and of the fight against isolationism towards Europe, that is, the debate had an essentially pragmatic backdrop. Furthermore, beginning in 1939 the government's press department collaborated closely with the armed forces in the development of major propaganda campaigns, with the support of large groups, particularly that of Keith Murdoch, cementing collaboration between the two areas (Western, 1983).

### **Censorship in both models**

Throughout their history, the four Euro-Mediterranean countries have undergone periods of greater or lesser censorship. The fight against censorship which adopted different forms but with similar effects, noticeably marked the transformation of their press. Following 1978 they coincided in a democratic model in which their respective constitutions and laws specifically prohibit censorship.

In Australia, once the war ended in 1945 and censorship measures were overturned, controversy centered on the central government's authority in matters of the press, and on the very strict regulatory legislation on defamation that could lead to self-censorship.

In France, the Declaration of the Rights of Man and Citizen (1789) already established certain important legal reserves leading to the interventionist model that was widely followed in Europe. The Press Law of 1881 lifted the preventative measures in effect until then and reduced administrative measures prior to publication, but censorship returned in 1914 during World War I. A Press Office attached to the Ministry of Defense was created and was responsible for reviewing all writings before their publication, producing innumerable numbers of incidents of friction between newspapers and military authorities. However, it made the war bearable for the civilian population and proved efficient in maintaining their faith in victory (Albert, 1970: 79).

On August 28, 1939 censorship was re-established, although less strictly than in 1914. The decrees of May 6, June 22, August 26 and September 30, 1944 issued by the French government, arising from the Liberation, abolished censorship but put severe administrative measures in place that, at times, had a similar impact. The permanence of these administrative controls has been considered against freedom of expression in both times of normalcy and periods of exception. Thus, in the first case, administrative authorities can sequester publications in order to preserve public order. The possibility of suspending constitutional guarantees during states of emergency, siege or war leaves the possibility of re-establishing censorship open (Dérioux, 2005: 69).

In Italy, Law no. 374 of February 2, 1939 – which repealed the provisions of the 1932 law – stated the obligation to deposit eight copies of any print publication in different institutions (one for the Ministry of Popular Culture, three for the Prefecture, one for the Crown Prosecution Service, and three for the provincial delegation of the Ministry of Education). It also specified the requirement that any publication record the legal address of the printer and/or publisher in a clearly visible way, as well as the year of the *Christian era* and of the *Fascist era*. After the fall of Mussolini in 1943 and the 1946 Referendum in which the

Republic was established, a new Constitution (1948) was adopted that guaranteed freedom of the press.

A similar situation occurred in Spain where the Civil War (1936-39) opened a new era characterized by state intervention. In the political-administrative system of the Franco regime, the 1938 Press Law played an essential role. It put all media at the service of the state and entrusted it with the mission of re-educating the population in the new values. Prior censorship was one of the tools used most, together with slogans and information that were obligatory to publish. The 1938 censorship system ended with a limited process of freedom expressed in the 1966 Press and Printing Law. Newspaper businesses went from being of *national interest* to private initiative, so that the normal procedure of slogans and prior censorship were reserved for cases of a national emergency or war only. Nonetheless, a Registry of Newspaper Businesses, and an Official Registry of Journalists were established. Despite its repressive nature, this law permitted some areas of freedom of expression to open up.

The Portuguese press historically has been marked by censorship which was instituted in 1926 as a consequence of a military coup. This situation lasted until the end of the dictatorial Estado Novo regime when, after nearly five decades, censorship was abolished by the coup d'état of April 25, 1974.

### **Interventionism and citizen participation in Australia**

Australia's participation in World War I on the side of the Great Britain decisively influenced its news system, increasing the demand for information and connecting newspapers with international circuits. However, news circulation was strictly controlled by the War Precautions Act (1914-1920). The federal government assumed nearly global control of all communications, and some newspapers, such as *Stead's Review* of Melbourne, were censored following guidelines that were very similar to the British ones.

World War II re-opened the debate on the government rather than the courts' authority to censor. Thus repressive measures were not only applied to matters of military significance, but also on issues of morality. In 1942 within a wave fundamentalist concern, prosecuting vulgarity or indecency was proposed and, in April of that year, the Labor government of John Curtin (who had come out of the labor union press), created the Press Censorship Advisory Council (PCAC), a body which received many complaints due to its restrictive policy. All of this led to the publication of a censorship code in May 1944, most of which referred to matters of national security.

As a consequence of World War II, Australian public opinion began to demand more international information and a greater external scope, and to allow more weight to be given to citizen participation. Thus in the 1940s, there was a major debate on the importance of the level of information on society. Some of the media, and certain experts such as Walter Murdoch, maintained that this level was low, particularly on the radio, and that this compromised the Australian democracy. Connections were being made between mass communication, mass culture, the rise of fascism and militarism, and the outbreak of war. A more democratic and civilized culture required regulation of public communication, until then strongly Anglophile (Greenland, 1959). Finally, the communication debate moved to encompass constitutional aspects, relations with Great Britain, the definition of citizenship, federal and state competences, media regulation and its impact on forming a personal public opinion.

### **Impact of state regulating power**

In the four Euro-Mediterranean countries studied, the state tended to implement mechanisms for mediation, citing its function as the regulatory power of the press, understood as a public service. In the case of Australia, neither its federal constitution, the 1931 Westminster Statute nor the constitutions of the six states and two territories, explicitly mention freedom of expression and of the press. This follows the British tradition which channels such freedoms to ordinary law and jurisprudence, although there have been some attempts to include it in basic legislation.

The French State has been characterized by clear control over the distribution and circulation system of the press, justifying this control as a key element in the defense of news pluralism and access to information. Within this framework, distribution of the French press is subject to the principles found in the law of April 2, 1947, established on the legal principle that there is no freedom of expression without freedom of circulation. There can be no discrimination in the public's access to a newspaper because of the commercialization system. Thus the state has the responsibility to correct certain market mechanisms to guarantee news pluralism. Distribution is therefore organized in view of the cooperative principle, establishing a system of messenger services, run by cooperatives of publishers, to guarantee market circulation of any title that requests it and eliminate barriers to the entry of new publishers.

But beyond its control of structure, it is noteworthy the way that the state intervened in the remunerations systems of the parties involved in the distribution process as well, setting it in regard to percentages over the total sale. Commissions were set by legislators to guarantee respect for neutrality of distribution, considering it necessary in order to prevent discrimination in the circulation of titles, and thereby protecting equal treatment among publishers. dHowever, this limited profit margin for vendors, together with the handling of the distributor gives them has caused the number of newsstands to go down alarmingly.

The increase in unsold material is another sign of the system's poor functioning. The measures to guarantee pluralism promote practices that result in an increase in returns since the press vendors, rather than devoting themselves to improving sales, dedicate tremendous effort managing unsold items. In light of this situation, the "Union Nationale de Diffuseurs de Presse" has proposed modifying the rules and authorizing vendors to decide for themselves the number of titles they can sell, in view of their clientele and sales space.

In the case of Italy, in 1948 the *Legge sulla stampa* was published, a law regulating the Italian press system and which, with various modifications, has survived to the present day. This law defined obligatory guidelines for print publications, civil

responsibilities for the managers in charge, registry, penalty for defamation, etc.

In 1963, article 29 of *La Legge sull'Ordine dei Giornalisti* required journalists to be in registered in a professional registry in order to practice their profession. Article 32 regulated a written and oral test on journalism techniques and practices as an essential requisite in order to obtain permission to work in the field of journalism. Article 33 also regulated registration of novice journalists, which set 18 as the minimum age and required a statement by the director of the communication media to certify the beginning of the practice period; and later, after 18 months of practice, a statement on the professional activity carried out. Likewise, in order to be registered, it was necessary to pass a test on general culture. The law of December 29, 1990 confirmed this registry, indicating that no one could practice the profession of journalism if they were not registered in the professional registry (the law also stated that citizens of European Community member were on the same level as Italian citizens regarding registration of journalists in the practice period, whether or not they requested the condition of reciprocity). The law of August 5, 1981 required daily newspapers, magazines and news agency publishers to be registered in the national press registry. And although points of sales were regulated, no authorization was necessary to sell in party headquarters, churches or unions with their own pertinent specialized publication.

In Portugal after April 25, 1974, all major daily newspapers were nationalized until privatization of state newspapers took place in the 80s. The Junta of National Salvation program included abolishing censorship and prior examination, and defended the creation of a committee to control social communication, the theater and the cinema until a new press law was enacted. This committee's role was to safeguard the emerging democracy from 'reactionary' attacks and would have competence to suspend organs of social communication that threatened the principles stated by the Junta (Rui, 2002).

The first major change was the transition of a large number of newspapers into the hands of the state as a consequence of the nationalization of the banks and of other basic sectors due to their majority participation in the capital stock of the companies for credits previously granted to news businesses. Curiously, the nationalization of the press was never justified from a political viewpoint, and was always presented as an indirect consequence of the nationalization of the banks (Mesquita, 1996: 360-405). The Press Law of February 26, 1975 went into effect almost simultaneously with the nationalization of the banks, which brought about the indirect consequence of state control of the principal titles. This law confirmed freedom of expression, thought and print included in the right to information, as well as the right to the create news businesses.

Following on from Portugal, from a regulatory perspective, democratic liberalization of the press in Spain began in 1977 with a decree-law that repealed or reformed the most restrictive articles of the 1966 law. It maintained, nonetheless, administrative sequester in cases of news against the unity of Spain, the Monarchy or the Armed Forces. At the same time, the disappearance of the "Movimiento Nacional" Franquist party required the transition of ownership of their newspapers to patrimony of the state. Shortly thereafter, the first Democratic government (1977-79) abolished the Ministry of Information and Tourism, which once and for all opened the door to deregulation, and finally the 1978 Constitution repealed the articles of the law of 1966 that were against it.

The liquidation of the public ownership sector and the withdrawal of aid closed the state regulatory cycle of the Franquist period. The new model left the evolution of the press in private hands, with some exceptions at the autonomous region level. As of 1989 only common legislation regulated news companies, with the complement of some laws such as the right to reply or the conscience clause. Only on certain occasions, do sector laws have a direct bearing on the press, such as the Law of Advertising and Institutional Communication (Guillamet, 2001: 269-274).

### **The search for a regulatory mechanism in Australia**

Since Australia follows the British tradition which deems that common legislation is responsible for affairs related to freedom of the press, its courts are governed by international treaties such as the Universal Declaration of Human Rights (1948) and the International Pacts of Human Rights (1966), although application requires specific laws. Moreover, laws indirectly related to the media (for example taxation, companies, commerce), or general ones such as that of contempt, are observed. Therefore, while a federal press law does not exist, five of the states have a Press and Print Law aimed at establishing different administrative measures such as media registration or the obligation to deposit a copy in the corresponding central library.

In December 1973, Colin Bednall, an influential advisor to Prime Minister Gough Whitlam, proposed the creation of an Australian Newspaper Commission, inspired by the Broadcasting Commission, to examine the system of ownership of newspapers, radio stations, television stations and the new technologies that were beginning to emerge. In fact, since 1960, experts have given up for lost the battle of public communication in Australia, since no government has been interested in structuring a coherent policy on this matter. After all, as Hallin and Mancini (2004) state, the commercialization of newspapers in countries with a liberal model drove several forms of non-commercial media out of the communication media system.

Economic liberalization around 1975 and expansion around 1980, increased media consumption. The public sphere was deregulated little by little and media evolution became much more competitive. In any case, the Statement of Accord was signed in February 1983 under the Hawke government, instituting a general consultative mechanism to develop more participative communication policies going beyond infrastructure. Additionally, ties with Great Britain were beginning to loosen as the UK entered the European Economic community (1973), the Australia Act was signed (1986) and Southeast Asia began to strongly emerge. In this environment, several government committees were convened sparking a new debate. However the results were rather inconclusive although they served to structure communication and make it more centralized. The Fraser government even created a Ministry of Communications, a body strongly inspired by the North American Federal Commission of Communication (FCC), to regulate audio-visual media.

The three great limitations to freedom of expression in the history of the Australian communications media were the censorship applied to books and films in the 1930s and 1940s, the concentration of ownership, and the laws against libel and

defamation (Osborne-Lewis, 1995). In general terms, the evolution of the Australian press has taken place within an uninterrupted democratic tradition, but this did not foment specific debates which, in any case, developed in terms that were very generic, little clarified and with no acceptable conclusions. The challenges posed to the freedom of expression led to the founding of the Australian Press Council (APC) in 1976. Its mission, among others, was to investigate and resolve reports and complaints about newspapers and newspaper businesses (<http://www.presscouncil.org.au>).

In the 1980s and 1990s there were various attempts to make uniform legislation of the crime of defamation but they were unsuccessful and was regulated by each state on its own. Traditionally reports of, and sentences for, defamation had been one of the main methods of disruption of freedom of expression, and finally on January 1 2006 the Defamation Act came into effect softening the previous regulations and putting procedures in order. To the contrary, the right to reply has not been regulated and neither are offenses against the head of state, members of government or institutions. By virtue of the 1982 Freedom of Information Act (FoI), authorities can deny the media access to documents assigned to different categories such as national security or the national economy, although in a way that is well structured and with the possibility of appeal to the courts. Different reforms of the law and, above all, of sentences (the McKinnon case), made the situation even tougher (Wheelwright & Buckley, 1987).

The September 11 2001 attack in the US provoked a set of governmental anti-terrorist measures that worsened the secretiveness of the Australian administration. The Australian Security Intelligence Organisation (ASIO) Act of 2003, the National Security Information (Criminal Proceedings) Act of 2004 and the National Security Information Legislation Act of 2005, imposed the extreme requirement for legal hearings to be held behind closed doors if it was understood that reserved information would be dealt with. Moreover, the 1995 Racial Hatred Act regulates crimes of racial discrimination, while common law prosecutes blasphemy, obscenity and attacks on morals (Brown, 1986).

### **State and information pluralism**

For publishers, aid to newspapers is a long-time regulatory tradition in many European countries with the exception of Spain. The tradition evolved to defend and promote pluralism amidst the economic crisis of the 1960s, and has been applied since in most countries.

In the case of Australia, the regulatory environment has been marked by a strong concentration of businesses with interests in media capital, forcing the Australian government to develop legislative reforms to guarantee pluralism.

On the grounds of freedom to disseminate thought and the equality of access to sources of information and of the circulation of said thought, France has promoted an aid system focused on press circulation and distribution. This aid to the press is included in state policy and is organized by three principal objectives: aid to develop circulation, guarantees of independence and defense of pluralism for publishing companies, and modernization and multimedia diversification of newspaper businesses. But it is striking that the way a large system of aid to the press to promote freedom of circulation and access to sources is combined with a model of state-regulated control with regards to press business activity. This is such that the distribution system and circulation results referring to volume of copies are regulated by law, something which no doubt impacts on the strategies that press members follow in order to compete.

Aid to the press is conceived of in France not as aid to companies, but as aid to the reader (Magallón, Aguado & Sanmartí, 2010). Direct aid is nearly completely aimed at newspaper and other political and general interest publishing companies – other types of press only benefit marginally. Within direct aid there is aid to circulation, aid to competition and maintenance of pluralism and aid for news company modernization and multimedia diversification.

In comparison, indirect aid benefits the entire press. The only condition is that the publication must meet certain criteria of the Committee for the Parity of Publications and Press Agencies (CPPAP), such as be legal, appear regularly (at least once quarterly), devote less than two-thirds of its page surface to advertising, and have effective sales. This aid is focused on the postal service with preferred rates, and the fiscal system.

Aid to distribution as established in Decree no. 2004-1310 of November 26 2004, is only for national political and general information newspapers in French, published at least five times a week and holding a registration certificate issued by the CPPAP. Aid is assigned by the number of copies of the issue sold.

In the case of the Portuguese press, the implementation of the *Porte pago* or payments for carriage (Aguado, 2008: 185), instituted in October 1 1976, consists of state participation in news publication shipping costs borne by subscribers residing nationally and abroad. The *Porte pago* was backed by the state's obligation of support, legally justified by the unfavorable socio-economic environments.

From the end of the 1990s, a stage began in which new initiatives went into effect, establishing a conflict between those with a protectionist vision of the state towards the nearly 900 local and regional press titles registered in the Instituto de Comunicação Social and the defenders of a liberalization process with new challenges for innovation and creativity. Thus, in 2000 the end of the comprehensive *Porte pago* was announced. The Secretary of State for Social Communication, Arons de Carvalho, declared opposition to the earlier system which promotes passivity, opportunism and adaptation to the dependence subsidy (<http://www.secs.pt>).

In 2001 the change was justified by the government on the grounds of the need to modernize and professionalize the press sector, avoid the abusive use of 100 percent of the fee which generated uncontrollable costs and led to situations of unfair competition, as well as the need to provide incentives for the hiring of journalists. The progressive reduction in the payment for carriage was being viewed as a measure that, rather than supporting reading, supported businesses. The number of press

titles increased to reach 900 and so the number of copies sold went down making the effectiveness of this measure to support reading of the press doubtful.

In January 2005 the system of state incentives for social communication began to be regulated by Decree Law no. 7/2005, of January 6, which intended to achieve aims such as: convert local social communication into a true agent of local and regional development: steadily open horizons for multimedia communication, promote the reading of local press as a real vehicle of culture, develop strategic agreements among communication organs without affecting the independence of these businesses, and give incentives for the hiring of communication professionals.

In 2007 incentives to business initiative, to multimedia development and to human resource qualification and development, were substituted by a single incentive in the case of local and regional social communication businesses: the incentive to read regional press established in Decree Law no. 98/2007, of April 21. It is a system to give incentives to promote reading and sets a proportional system for sharing the costs of mailing news publications. This system weighs, on the one hand, the need for state intervention in spreading culture and the Portuguese identity and, on the other, the increase in new media circulating news content. Within the press incentive plan, the creation of the Regional Press Portal (<http://www.impressregional.com.pt/>) was approved, and was launched in March 2007. The objective of this initiative is to allow electronic access in Portugal and abroad to the content of regional news publications.

In the case of Spain, the governments of the Unión de Centro Democrático (UCD) (1977-82) maintained a system of aid to the press, distributed discretionally, which went up to some 4 billion pesetas (25 million Euros). Despite the fact that its significance was already much less than during the Franco period, in 1984 with the Socialist government, certain aid to newspaper businesses and news agencies was still regulated. The law distinguished between two types of subsidies: on the one hand, direct subsidies to stimulate circulation, especially of the less sold general information newspapers, paper consumption and technological reconversion, and on the other, indirect subsidies in taxes, post, distribution and communication, which was also for non-daily, general interest publications.

Economic expansion of advertising, and the demands of the European Community after Spain joined (1986), put an end to this aid which was detrimental to the smallest businesses which required protectionist measures in order to survive. Direct aid was abolished by a law in 1988 which partially overturned that of 1984. Nonetheless, certain subsidies persisted for linguistic reasons in different territories of the state. Most indirect subsidies were abolished in 1990, and by 1991 all those of the state had disappeared. Thus, in Spain today only those related to postage remain and this has minimal repercussions because companies have their own distributors. Additionally, only 4% VAT is applied to newspaper sales which nevertheless is dependent on EU regulations.

In Italy, the law of August 5 1981 required that state administrations and non-territorial public entities, with the exclusion of economic ones, must devote a quota of no less than 70% of their advertising budget to advertising in newspapers and magazines, all done without discrimination and with criteria of equity and objectivity. Similarly, it stated that to reduce distribution costs and favor consortiums, the regions could take measures to provide support.

Initially an inter-ministerial committee regulated price, and on January 1 1988 this became a free decision. It was the decree of April 24 2001 which stated that the sales price established by the producer could not be modified at the point of sales. From 1981 to 1985, contributions ranging between 48 and 24 lira per copy were made to publishers for newspapers with a daily circulation of between 50,000 and 200,000 copies. During this period, aid was also given to non-newspaper publications and magazines to subsidize the paper used, reaching up to 450 lira per kilo (twenty Euro cents). In this same period all press agencies were subsidized with up to four billion lira annually (two million Euros).

With regard to telephone, telegraph, postal and transport rates, what stands out is a 50% reduction in telephone and telegraph bills, and up to 50 billion lira (26 million Euros) annually for postal services and telecommunications. Likewise, financing for economic-productive restructuring was established and included improvement of facilities, equipment, re-qualifying personnel and so on and had a maximum duration of up to ten years. The law of March 7 2001 continued the aid system, establishing a specific fund to strengthen the information network and connections to use international computer circuits and satellites.

In order to support reading and access to information, article 15 of the law of 1981 required that every high school or secondary school must have newspapers and magazines available for students, as well as a place for them to be read. This right to information was broadened in 1986 when aid was established for Italian publications published abroad and for those published in Italy and distributed primarily overseas.

In this same way, publications of 'high cultural value' which were required to have less than 50% advertising as well as 'scientific rigor', were also subsidized. The maximum limit to funding could not be more than 50 percent of the cost of the work. Additionally, article 9 of the law of 2001 established a fund for the promotion of books and publication products of 'high cultural value', and that rose to two billion lira annually (one million Euros).

### **The state in the face of business concentration in Australia**

In Australia by 1954, a crisis had arisen in the press, aggravated by the appearance of television (1956), and there was re-launch of the polemic regarding the effects of the media. Four businessmen (Sir Frank Parker, Sir Warwick Fairfax, Sir Rupert Murdoch and Sir Philip Jones) owned the majority of the media during that time. This situation evolved and by around 1987 the metropolitan newspapers were controlled by three major groups: the Herald and Weekly Times Limited, the News Limited and the John Fairfax Group Pty Limited. That same year News Limited acquired the *Herald*.

This situation favoured the evolution of the multimedia group News Corporation, managed by Rupert Murdoch, an organisation

created from a newspaper conglomerate which has been built up since 1921 by his father, Keith Murdoch. This conglomerate, which alternately supported governments of whichever persuasion that most closely aligned with its interests, followed an essentially mercantile strategy, allowing for an expansion that culminated with the purchase of HWT in 1987. Murdoch became not only Australia's top businessman with the counterweights of the Fairfax Group and the Consolidated Press, but he also expanded into the United Kingdom in the 60s and into the US in the 70s to build one of the largest media groups in the world with strong conservative content (Barrera, 2004: 217).

In the early 90s the concentration process continued, characterized by the decrease in the number of national newspapers due to the difficulties of distribution, leaving *The Australian* and the *Australian Financial Review*. Except for Sydney and Melbourne, no capital had more than one daily newspaper.

News Limited eventually took control of 70% of daily metropolitan production, while the Fairfax Group controlled 20%. The latter increased its influence in 2007 when it merged with the Rural Press group and launched its international expansion. The evolution described here made it necessary to reform legislation related to media ownership, in order to guarantee a minimum of five groups in the federal market and four in regional ones. The Australian states also adopted similar measures. Furthermore, the Australian Competition and Consumer Commission (ACCC) intervened to protect business competition in accordance with the 1974 Trade Practices Act, as did the Australian Communications and Media Authority (ACMA) in a framework with reinforced powers (Given, 2002).

Two public radio and television networks were created: the Australian Broadcasting Corporation (ABC) and the Special Broadcasting Service (SBS), which broadcasts to multicultural and indigenous groups. There are also more than 100 newspapers and magazines in some 30 languages devoted to these groups (<http://www.presscouncil.org.au>). However, despite the fact that in the 1960s the project of a "white Australia" was abandoned and there was a massive influx of migrants from Asian, the non-English speaking press lost relative influence and was only maintained in immigrant centers in the big cities (Jones & Pusey, 2010).

## Conclusion

The evolution of the Euro-Mediterranean model is characterized by its global break with the liberal system of the 19th century, caused by the totalitarian regimes which were in power between 1925 and 1976. The business and legislative framework adopted at the end of each dictatorial period was radically different from that which had existed previously, although each country made its own decisions.

Until well into the 20th century, Australia had a similar press system to that of Great Britain, although with its own specifics influenced by factors such as the country's size, its sparsely settled population, its distance from the major European, American, and even Asian centers, or its political-institutional complexity. The continuity of its business structure was decisive in Australia's adherence to the Anglo-Saxon model, as was its democratic framework which continued uninterrupted. The two world wars however, meant a major shift in its media policy.

In the European countries, state intervention has traditionally been through censorship. In many cases this was applied directly such as occurred in the dictatorial periods, and in other periods it was applied through indirect channels. With the re-establishment of their respective democracies, censorship was eliminated over time, although the states reserved certain powers.

Unlike other countries with the Anglo-Saxon model, Australia experienced episodes of government censorship. The two wars aggravated this practice, one that was as much related to the course of military operations as it was to the debate on Australian identity, the construction of a national democracy and conservative values. Self-censorship has been a typical practice in this model. In contrast, the Euro-Mediterranean countries with a long tradition of state intervention, have regulated different aspects of freedom of the press. This control reflect the concept of the media as a public service requiring regulation, as well as a mercantile good framed within common legislation.

Australia lacks a specific press law, but certain imbalances in its model, especially the effects of business concentration, have required that regulating mechanisms be sought, and federal and state legislation be made uniform. Defamation laws and those related to official secrets are illustrative of the Australian dilemma between its non-interventionist tradition and its need for corrective measures in the face of business and administrative excesses. The European States have retained policies which have taken different forms, in order to aid the press. The intention is to promote news pluralism, avoid business concentration and preserve equality of access to sources of information.

Business concentration is the principal characteristic of the Australian model. During the 70s, this situation forced the states and the federal parliament to safeguard competition and prevent the formation of trusts. The purpose of public media, especially radio, is to counterbalance the influence of such dominant groups.

## References

- Aguado, G., Sanmarti, J.M. y Magallón Rosa, R. (2009). The effect of the state on the evolution of print media in European Mediterranean countries. *International Journal of Communication*. vol. 3 (2009) 780-807.
- Aguado, G. (2008). *El mercado de la prensa portuguesa*. Madrid: FIEC.
- Albert, P. (1970). *L'Histoire de la Presse*. París: Presses Universitaires de France.
- Barrera, Carlos (2004). *Historia del Periodismo Universal*. Barcelona: Ariel Comunicación.

Brown, Allan (1986). *Commercial Media in Australia. Economics, Ownership, Technology, and Regulations*. St Lucia: University of Queensland Press.

Dériex, E. (2005). *Droit des médias*. Paris: Éditions Dalloz.

Given, J. (2002). Foreign ownership of media and telecommunications: an Australian story, *Media & Arts Law Review*, 7, 253.

Greenland, P. C. (1950). Australia's Overseas Communication, *Australian Journal of Public Administration*, nº 9, 222-229.

Guillamet, J. (2001). El periodismo en la transición del franquismo a la democracia. Factores políticos, económicos y profesionales: La comunicació audiovisual en la història. Palma de Mallorca: Universitat de les Illes Balears.

Hallin, D. y Mancini, P. (2004). *Comparing Media Systems* New York: Cambridge University Press.

Jones, P. K. and Pusey, M. (2010). Political communication and 'media system': the Australian canary, *Media, Culture & Society*, University of New South Wales, Australia May 2010, vol. 32(3) 451-471.

Magallón Rosa, R., Aguado, G. and Sanmarti, J.M. (2010). Press-State Relations: A Comparative Analysis of Euro-Mediterranean and British Models. *Arts & Social Sciences Journal*. Vol. 2010. 1-16

Mesquita, M. (1996). Os meios de comunicação social. Portugal, 20 anos de democracia. Lisboa: Temas e Debates.

Osborne, G. and Lewis, G. (1995). *Communication Traditions*. Melbourne: Oxford University Press.

Rui, F. (2002). A Comunicação Social em Portugal no Século XX - Fragmentos para a História de um Servidor de dois Amos. *Panorama da Cultura Portuguesa no século XX*. Porto: Ed. Afrontamento. Fundação Serralves.

Wheelwright, T. and Buckley, K. (1987). *Communications and the Media in Australia*. Sydney: Allen and Unwin.

Western, J. S. and Hughes, C. A. (1983). *The Mass Media in Australia*. (2e) St Lucia: University of Queensland Press.

This research has been carried out at the Institut Français de Presse (Université Panthéon-Assas- Paris II), the Instituto de Estudos Jornalísticos de la Universidade de Coimbra (Portugal), and the Department of Communication (University of California, San Diego)

#### **About the author**

José M<sup>a</sup> Sanmartí, Raúl Magallón and Guadalupe Aguado are Professors at the Department Journalism and Audiovisual Communication, Universidad Carlos III de Madrid, Spain.